

Attachment  
4.19 A & B  
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- (a) The Estimated Acquisition Cost (EAC) which is the lowest price of a drug product as determined by the following criteria;
- (i) Wholesale Acquisition cost (WAC) plus nine percent;
  - (ii) Direct price plus nine percent;
  - (iii) Distributor's price plus nine percent; or
  - (iv) Average Wholesale Price (AWP) less eleven percent
- (b) Federal Generic Upper Limit (FGUL) which is the upper limit of payment for a multiple source drug for which a specific maximum allowable cost has been established by the Center for Medicare and Medicaid Services (CMS) of the Department of Health and Human Services;
- (2) For all other prescribed drugs, and schedule V cough preparations, the allowable cost shall be the EAC established by the Department, as described in (b) above.
- (3) Notwithstanding the provisions of (1) above, when a prescriber certifies in his own handwriting that, in his

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